B 2 Govt

App. F. IX-4

Previous References
CS 163-30-1—3
" 114-31—3—5

1934 (Legislative)

File No. 20-34
Serial Nos. Nil.

Later References.

PRESERVED

14

GENERAL AND REVENUE SECRETARIAT.

Serial Nos.

Part B for August—1934

SUBJECT.

Bill to amend the Agriculturists' Relief Regulation.

WD 01965—GPB—15,000—7-7-34

M. Abdul Aziz
17. 8. 34.

3688 of 33
p.

Serial No.

In the matter of [illegible] Act 1932

"The question of enlarging the definition of Agriculturist so as to include all those agriculturists whose income is within Rs 2000 a year (instead of only Rs 1000 as at present) and of [illegible] amendments in the Rev. rule separately [illegible] up".

Dated [illegible]

On a previous occasion the High Court had suggested certain safeguards which [illegible] for consideration for the exercise of the discretion in granting relief under S. 12 of the Regn. Act. Bill was dropped but it was understood that it might await for some time to see if any amendments may be adopted now along with the amendment of the definition of the term "Agriculturist".

WD 0434—GPB—15,000—12-10-32

8/1/34

8/1/34

Amendment of Agriculturists Relief Regn

File No. of 193 | General and Revenue Secretariat

Serial No.

Send with a draft Bill

Sec 10/1

Draft of a Bill to amend Sections 2 & 12 of the Mysore Agriculturists Relief Regulation for consideration

1. The Mahud Economic Depression Enquiry Committee was of the opinion that a larger number of Agriculturists should be brought under the scope of this Reg, & recommended that the gross income limit in the definition of Agriculturist should be raised from Rs 1000 to Rs 2000. The High Court also approve of the amendment suggested

. Sec 12 at present empowers a Court to grant instalments after a decree is passed & not at the time of passing a decree. Whereas on the one hand the agriculturist judgment debtor remains & person are immune from attachment & arrest, there are no safeguards provided in the section while granting instalments such as taking of securities or attachment of movables. The High Court who was consulted suggested that Section 12 may be amended on the lines of XX R 11 C.P.C. which regulates the

3602

Bill to amend the Agriculturists Relief Regn

Serial No.

procedure regarding grant of instalments.

The 1st Member has asked that the question of amending these Sections may be taken up.

A statement of objects & reasons is also put up.

There was an agitation on the part of moneylenders & merchants when the Regulation was extended to the whole State on 1st Jan 1934. In reply to the deputation of the Grain Merchants Association, first stated that after working the Regulation for a year the question will be reviewed. If the scope of the Regulation is widened by raising the gross income limit to Rs 2000 there is likely to be some further agitation on the part of money lenders. It is for consideration if the amendments suggested above may be made at the present & the question of amendments to the Reg be taken up in 1935.

Secretary
1st Member

14/4/34

Orders are about to be passed on the Mahmud Economic Enquiry Com

WD 0434—GPB—15,000—12-10-32

Bill to amend the Agricultural Relief Act

588

File No.	of 193 .	General and Revenue Secretariat

Serial No.

That this recommendation to raise the limit of Income to £2000 - is accepted.

I dont think we need take note of this agitation. There will be. No agitation is bound to be there even in 1935.

OFFICE OF THE
Min. for
16 APR. 1934
No. 8160

Cant
14.6.34
lc
16/4/34

There will be a great deal of discussion about this when P.C. in June - We shall take up this matter after that

lc
17-4-34

Cant
7.4.34

lc
16/4/34

Legis
Secs.

D of Legis
17/8

Bill to amend the Mysore Agriculturist Relief Regulation, 1928

Preamble.

Whereas it is expedient to amend the Agriculturists Relief Regulation, 1928, it is hereby enacted as follows :-

Amendment of section 2.

1. In section 2, "first" of the Mysore Agriculturists' Relief Regulation 1928, (hereinafter referred to as the said Regulation) the figure "2000" shall be substituted for the figure "1000".

Substitution of a new section for section 12.

2. For Section 12 of the said Regulation the following shall be substituted namely:-

Power to postpone payment or to allow payment in instalments.

"12 (1) In the case of any other decree for the payment of money against an agriculturist, the Court may, for sufficien reason at the time of passing the decree, order that payment of the amount decreed shall be postponed or shall be made by instalments, with or without interest, notwithstanding anything contained in the contract under which the money is payable.

(2) After the passing of any such decree whether before or after this Regulation comes into force, the Court may, on th application of the judgment debtor ~~and with the consent of the decree holder~~ and after notice to the decree holder & considering any objection offered by him, order that payment of the amount decreed shall be postponed or shall be made by instalments

instalments on such terms as to the payment of interest, the attachment of the moveable property of the judgment debtor or the taking of security from him, or otherwise, as it thinks fit.

(3) Instalments ordered under this section shall not extend over a period exceeding eight years.

STATEMENT OF OBJECTS AND REASONS.

The Malnad Economic Depression Enquiry Committee recommended that as the relief under the Mysore Agriculturists Relief Regulation is restricted only to those agriculturists whose yearly income from sources other than agriculture does not exceed Rs.500/- and whose aggregate income from all sources does not exceed Rs.1000/- it is necessary to widen the scope of the Regulation by raising the gross income limit of Rs.1000/- to Rs.2000/- and bring thereby more agriculturists under its operation. The High Court whose opinion was invited in the matter have concurred with the recommendations of the committee. The Bill is intended to give effect to the proposal.

Opportunity has also been taken to amend section 12 of the said Regulation which applies to money decrees and provides for payment by instalments only after the passing of the decree and not at the time of passing the decree, ~~and~~ under that section the judgment debtor may get the benefit of paying in instalments spread over 8 years without any of the safeguards provided for in Order XX Rule 11 of the C.P.C., such as attachment of property, taking of security etc., and a power to insert a default clause for payment of the whole of the unpaid decree amount in the event of default of any instalment. On the other hand the judgment debtor's immoveable property and person are immune from attachment under sections 14 and 13

of the Regulation.

With a view to safeguard the interest of the creditor also and to make the working of the Regulation more beneficial than at present, it is proposed to recast section 12 of the Regulation so as to enable the courts to give directions for payment by instalments not only after the passing of the decree but at the time of passing the decree and also to insert in the decree safeguards such as those mentioned above.

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14/4/38

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28. The agriculturists' Relief Regulation - As regards the third measure, viz., the Mysore Agriculturists'Relief Regulation (No. XVIII of 1928) intended to relieve the agricultural classes from indebtedness, it came into force on the 1st January 1929 and extends only to such parts as may be notified by Government from time to time. So far, its operations extend only to three Malnad Taluks, Manjarabad, Sagar and Koppa, with effect from that date. We have examined the scope for relief under this Regulation, and particularly, the Sections relating to the construction of the term " agriculturists ", (Section 2) and the status and capacity of the persons coming within the purview of the Regulation (Sections 3 and 4) and the grant of instalments for payment of the debt (Section 11 and considered the actual working of the Regulation from a practical aspect.

29. The High Court Report of its working - The Registrar of the High Court of Mysore has very obligingly furnished us with a detailed account (extracts of which are given below) of the working of this Regulation from the date of its introduction up to the end of June 1931 (from the Report of the Administration of the Civil Justice in Mysore for the year 1930-31, Part III, Paragraph 15), and we have read it with much interest. It gives not only complete information as to the number of cases dealt with, the nature of relief granted etc., in each Taluk but also the general result of the working of the Regulation and covers the points raised in our discussion.

discussion.

(i) Information as to the number of cases to which the provisions of the said Regulation were applied since the date of introduction of the Regulation up to the end of June, is given below:-

	Manjarabad.	Sagar.	Koppa.
(a) Number of cases in which relief under the Regulation was claimed.	39 (16 Original and 23 Execution cases).	216	O.S. 11 Ex. 17
(b) Number of cases in which the claim was allowed.	14	141	O.S. 4
(c) Nature of relief granted.	Payment by annual instalments and otherwise granted as agreed to by the parties.	In 86 cases instalments granted. In 55 defendants were declared to be agriculturists, but final results of the Suits awaited.	Held that the defendants were agriculturists in all the 4 cases. One of the suit has been compromised and the other 3 are not yet finally decided.
(d) Rejected for want of prosecution.	5	2	Ex. 1
(e) Rejected as not maintainable.	5	23	10
(f) Pending.	15	50	O.S. 7 Ex. 6.

(ii) In Manjarabad Taluk - In this connection, the Munsiff of Hassan, whose jurisdiction extends over the Manjarabad Taluk states as follows:

The benefits of the Regulation are very rarely sought for, by the poor agriculturists, whose claim for relief could not and would not be contested by the

the creditor. Even the better class of debtor, who has obtained annual or half yearly instalments has seldom proved his bonafides by paying even one instalment. The provisions of the Regulation are taken advantage of by those who do not deserve any relief. Some practical difficulties were experienced, when the relief under the Regulation was asked for in suits relating to the mortgag A default clause was however introduced in the decree. The interests of the creditor require to be safe-guarded against alienation by the debtor of his immovable properties in the intervals between the instalments.

(iii) In Sagar Taluk - With regard to the working of the Regulation in the Sagar Taluk, the Munsiff of Sagar states as follows. It is clear that the debtors are taking full advantage of the beneficial provisions of the Regulations. The creditors are heard to grumble agains some of the provisions. They are showing hesitation to produce all the previous account books pertaining to the transactions of the debtors with them. They protest and oppose the claims of debtors for relief at every sta The debtors on their part are not behaving diligently as regards their defence. This may be due to their utter grinding poverty. The introduction of this Regulation may have affected the number of institution suits and consequently some stamp revenue. But undoubt ly, the Regulation is doing untold good to the debtors. It may be that the ryots are not able to secure loans, but it is a circumstance which will do them good eventua ly. Payments from 4 to 8 instalments are being allowed to agriculturists reasonably, considering their conditions, but they are not prompt and diligent in payment of the said instalments. Some default clause has to be inserted so that the debtors may be compelled to conform to the conditions of instalments and the creditors may

ıay have the satisfaction of getting some money. Subject ;o the first charge of the landlord, the standing crops ıay be a charge for the proper payment of instalments.

(iv) In Koppa Taluk - With regard to the Koppa Taluk hich is within the jurisdiction of the Munsiff's Court, ıarasimharajapura, the Munsiff while being of opinion hat reliefs under the Regulation are liberally availed f by those entitled, states that, in no case, instalment ayment has yet been ordered and hence he is not able to ıay if any safeguards are necessary in the exercise of he vested discretion.

(v) High Court opinion - In view of the above opi-ıions, it would seem that some more time is necessary efore any definite opinion can be formed as to the working f the Regulation. The question of providing safe-guards n allowing the concessions under this Regulation will, owever, receive early attention, and Government will be ddressed on the subject.

30. Committee's recommendations - After a careful onsideration of the information available, we consider hat this Regulation is on the whole beneficial to the gricultural debtors in the Malnad and that it requires ome more time to decide as to whether its benefits were xtensive or not. So far, the results of its working, articularly in Sagar Taluk, are encouraging, and the eople are getting accustomed to the facilities offered under the Regulation. But as the relief under this Regulation is restricted only to those agriculturists whose " yearly income from sources other than agriculture does not exceed Rs. 500/- and whose aggragate income from all sources does not exceed Rs. 1,000/- (Vide Section 2), it is, we consider, necessary to widen the scope

Member's orders.

To be taken up by Legislation Department

scope of the Regulation by raising the gross income limit of Rs. 1,000/- to Rs. 2,000/- and bring thereby more agriculturists under its operation. We suggest that this question may be taken up by Government in consultation with the High Court. Further, it is also necessary to extend the Regulation to all the other Malnad Taluks, and we recommend that this may be done.

V. The marketing problem of the Malnad.

31. - Marketing - We now come to the other importa aspect of the problem, viz., the practicability of assi ing and enabling the Malnad ryots to market properly an obtain the fullest possible value of their crops, with reference to their special produce, areca, coffee and cardamom. Before examining the case of each, separatel the general nature of relief practicable in the circumstances may be considered. Though any steps, which we can recommend in this direction, may not yield immediat results, yet, it is worth while to make efforts to eliminate as much as possible the middle-mans profits and exactions, to provide facilities which will gradual improve the ryots' position and may conceivably, in time make his labours more profitable materially.

Co-operative marketing - Some attempts seem to hav been made in the past in the Co-operative Department to organise co-operative marketing in the Malnad, but it does not seem to have been pushed to a successful end, due mainly to lack of proper organisation and business knowledge and experience of the staff, and partly to passive non-co-operation, if not active counter-action, on the part of those who felt their interests threatene In Madras, many attempts have been made to develop

develop co-operative marketing and the outstanding success has been the Cotton Sale Society at Thiruppur. That Society receives the cotton of its members to be ginned and sold, the member getting an advance on it as soon as it is brought in, part of this advance being paid direct to the Co-operative Central Bank in liquidation of his previous borrowings for cultivation and see from his village Society.

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